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The President's Daily Brief

July 15, 1976

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~~*Top Secret*~~

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Lebanon

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LEBANON: *Palestine Liberation Organization leader Yasir Arafat will go to Damascus tomorrow.*

The Palestinians have shown sharp disappointment with the inconclusive results of this week's Arab League meeting, and Arafat may have decided that he has no alternative but to explore the possibilities of a cease-fire with Syria. Although the Palestinians maintained throughout the league meeting that they could not go along with a cease-fire unless Syrian forces withdrew completely from Lebanon, they apparently received little support from the Arab foreign ministers, who concentrated on how to effect a reconciliation with Syria. 25X1

Continued supply problems and indications of intensified disagreement over strategy within Palestinian and leftist ranks also suggest Arafat may sue for peace. 25X1

Syria's limited pullback from Sidon yesterday would enable Arafat to negotiate with Damascus without seeming to be submitting to Syrian demands.

The Syrians may in fact have anticipated that a tactical concession on their part would facilitate Arafat's acquiescence in cease-fire talks. Syrian forces have thus far moved only to Jazzin--which is within artillery range of Sidon--and it is unlikely that they will move much farther. Sidon is the principal delivery point for arms

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shipments

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In a separate telephone conversation with Husayn yesterday, Asad said he is becoming concerned that foreign intervention in Lebanon is growing and might even include Cubans.

Although the conversation as relayed by Husayn indicates that Asad does not believe Cubans are in Lebanon now, he told the King that he expects Cuban involvement on the side of the PLO and the leftists.

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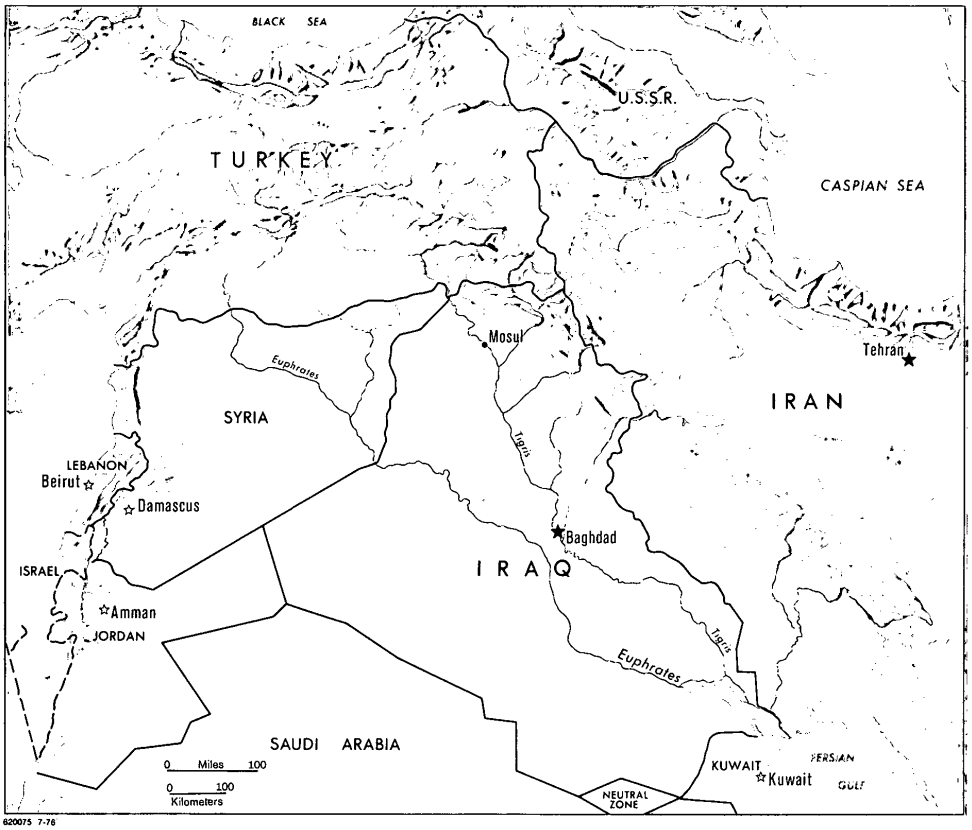

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IRAQ-SYRIA: *Iraq has launched a counterinsurgency campaign in the northern part of the country against Kurdish rebels based in Syria, who recently have become more active.*

Kurdish attacks on border posts and police stations and ambushes of Iraqi military units have led to the most serious skirmishing between Kurds and government forces since March 1975, when a major Kurdish rebellion collapsed after losing the support of Iran.

Damascus, which has supported a group of Iraqi Kurds that took refuge in Syria last year, probably is behind the recent flurry of incidents. The Syrians apparently hope Baghdad will have to pull some of its forces away from the Syrian-Iraqi border for service against the Kurds.

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GREECE-TURKEY: *Tensions between the two countries are on the rise again following Ankara's latest move in the war of nerves over the expected sailing of the Turkish research ship into the Aegean.*

The Turkish National Security Council recommended on Tuesday that the government take steps to ensure the ship's safe conduct in Turkey's territorial waters and on the high seas. The Greek foreign minister has expressed his "great concern" to the US ambassador in Athens.

The vessel's sailing date and course remain unclear. The US consulate in Istanbul reports that the ship may be prepared to depart for the Aegean today. Turkish officials are deliberately vague on the ship's likely course but reject any implication that they intend to provoke the Greeks.

Ankara may want to make its point against Athens' exclusionary claims in the Aegean without going to the brink. A similar desire seems to exist in the Greek government. 25X1

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WEST GERMANY: *Chancellor Helmut Schmidt commented publicly this week that US - West German relations are at a "high-point" and problem-free, and implied that he prefers to discuss international rather than bilateral issues during his visit to Washington.*

Schmidt presumably will want to exchange views with you on some of the same issues he has discussed recently with European leaders. These are international terrorism--including the UN debate on this topic--the North-South dialogue, the international economic situation, the general state of the EC, and the situation in Italy.

The Chancellor said he hoped the question of an offset agreement would not come up. The last agreement to offset the costs of stationing US forces in West Germany expired in 1975. Schmidt has indicated he is not interested in negotiating a new agreement that would be similar to previous ones. He has suggested that he might be willing to conclude some kind of informal arrangement.

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In another display of support for the democratic forces in Portugal, West Germany has given 14 more G-91 ground attack aircraft to Lisbon as part of a continuing West German effort to help modernize the Portuguese air force and strengthen Lisbon's military capability within NATO.

The transfer brings to 19 the number of G-91s the West Germans have sent to Portugal this year.

The Portuguese air force views the G-91 as only an interim addition to its inventory until Lisbon can obtain first-line aircraft from the US or other NATO allies. Lisbon's efforts to modernize its air force, however, probably will be hampered by a shortage of foreign exchange and by budgetary constraints.

A US - West German army survey team is scheduled to visit Portugal later this month. A US air force team visited Lisbon earlier this summer, and a visit by a US naval team is expected in the fall.

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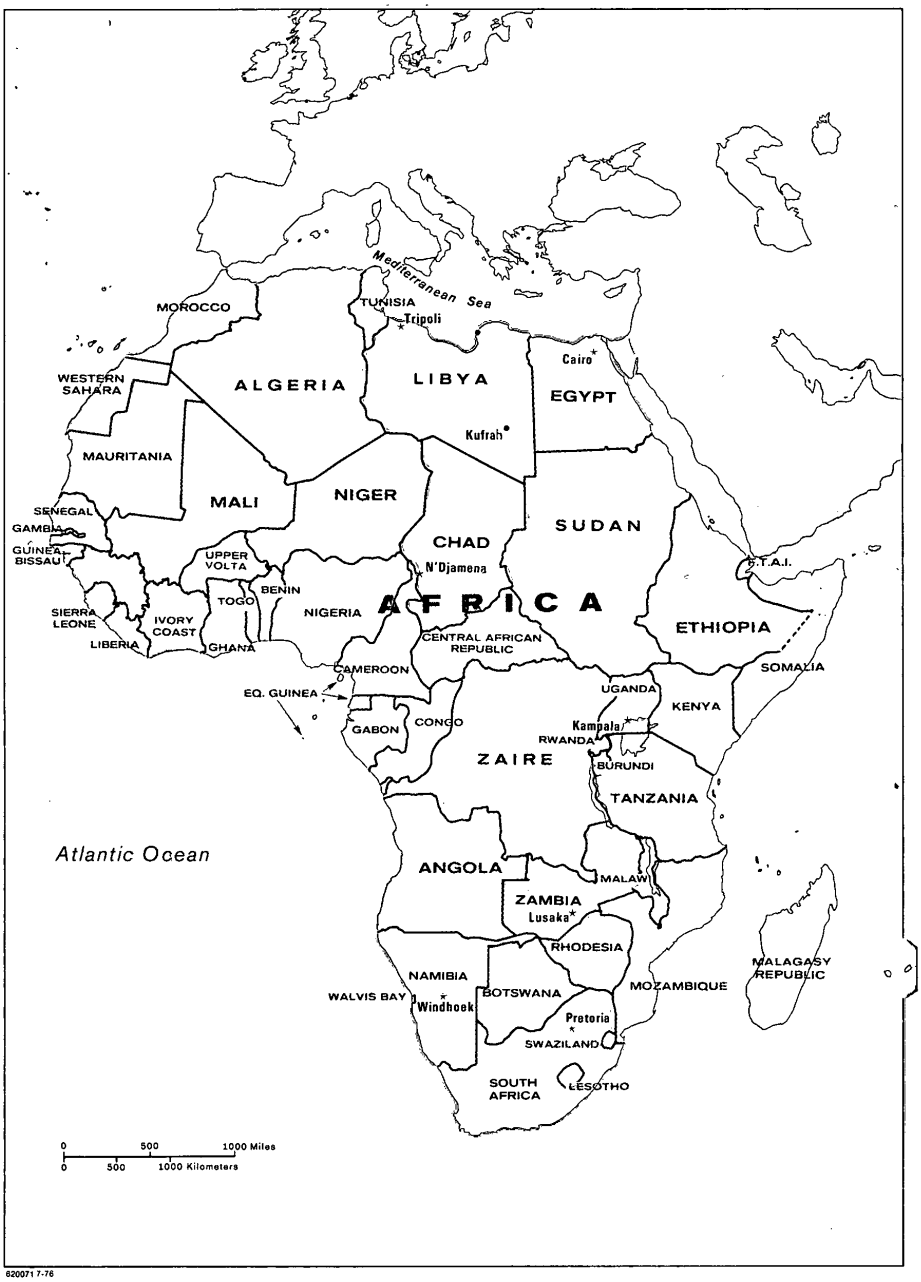

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NOTES

Military activity in Libya's southeastern border area has increased sharply over the past ten days.

Twenty-five C-130 flights have been made to Kufrah since July 6, compared to only five for the entire month of June.

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We cannot determine whether the troop movements are related to the situation in Uganda, to strained relations with Sudan, or to supporting Libyan military activities in neighboring Chad. Libya has occupied a small zone along the northern border of Chad for several years, and skirmishes reportedly have occurred there recently.

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South African army commandos operating from South African - controlled Namibia reportedly attacked a guerrilla camp of the South-West African People's Organization in Zambia last Sunday. [redacted]

The South Africans have been concerned over a recent rash of SWAPO terrorist incidents in Namibia. [redacted] these incidents probably were the work of guerrillas coming from Angola [redacted]

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The Zambians have tried to prevent the guerrillas from using Zambian territory to stage operations into Namibia. Lusaka [redacted] recently has denounced several other alleged South African hostile actions against Zambia [redacted]

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The new Spanish government passed its first parliamentary test yesterday when the Cortes approved penal code revisions needed to implement legislation legalizing political parties.

Removal of the restrictions on political activity will make it easier for the government to grant amnesty to political prisoners. Last week there were widespread demonstrations demanding amnesty for the remaining political prisoners not covered by the King's earlier amnesty decree.

The government's failure to obtain an absolute majority in the vote on the revisions suggests that it may have difficulty getting rightist support for the rest of the reform program.

Controversy arose over the lack of any specific reference to the Communist Party in the revised code. The formula approved, over rightist objections, allows the government some flexibility in deciding whether to legalize the party. This will aid the cabinet in getting the democratic opposition parties, who want all parties legalized, to participate in the planned referendum on political reforms and in the subsequent elections.

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Jordan's *King Husayn and the Royal Court apparently will assume responsibility for foreign policy in the new cabinet, despite Prime Minister Badran's appointment as foreign minister and defense minister.*

The new head of the Royal Court, Abd al-Hamid Sharaf, reportedly will assist Husayn in dealing with foreign policy matters. As Jordan's ambassador to the US and later its permanent representative to the UN, Sharaf has lived in the US for the past decade. He is generally pragmatic and pro-West but is critical of the US on some Middle East issues.

Badran is likely to concentrate on domestic matters. 25X1

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Husayn was careful in his shuffle of the cabinet and Royal Court positions to replace retiring East Bank ministers with younger, qualified individuals from the East Bank.

All evidence suggests that Husayn is still on good terms with former prime minister Rifai, and that Rifai will remain an important influence on the King. Husayn may calculate that Rifai's departure will allow him to repair his strained relations with Saudi Arabia and Egypt without jeopardizing his good standing with Syrian President Asad.

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